STATE OF CALIFORNIA FISH AND GAME COMMISSION INITIAL STATEMENT OF REASONS FOR REGULATORY ACTION

(Pre-publication of Notice Statement)

Add Section 700.5 and Amend Sections 1.74, 29.15, 116, Subsections (a)(1)(D)5 of Section 300, (j) of Section 551 and Section 705,

Title 14, California Code of Regulations Re: Automated License Data System

I. Date of Initial Statement of Reasons: December 20, 2006

II. Dates and Locations of Scheduled Hearings:

(a) Notice Hearing: Date: February 2, 2007

Location: Monterey

(b) Discussion/Adoption Hearing: Date: April 13, 2007

Location: Bodega Bay

III. Description of Regulatory Action:

(a) Statement of Specific Purpose of Regulation Change and Factual Basis for Determining that Regulation Change is Reasonably Necessary:

The Department of Fish and Game (DFG) was given Legislative as well as Control Agency approval to purchase and implement the new Automated Data License System (ALDS). The contract for this system was signed on July 12, 2006 and the License and Revenue Branch (LRB) is currently in the system-design phase of this project. This regulation change proposal is the first of several proposals that will be submitted by LRB in order to allow the DFG to implement and use this new system. This package seeks to change existing regulations that are too specific and thus limit the DFG to the current manual system. Without these proposed changes to our regulations, the DFG will be unable to implement and use the ALDS system. In addition to the changes needed to implement ALDS, a few additional minor changes are suggested to update regulatory provisions so they are in keeping with present practices, consistent with other statutes and regulations and for clarity purposes.

The specifics of each of these changes are as follows:

Add Section 700.5:

Currently in Title 14 there exists over 70 different sections where an application, report or form is mentioned and/or required. Under the ALDS system, while the same information contained on those applications, reports or forms will be required, the forms themselves will be obsolete and the necessary information will be gathered, entered and returned electronically. However, during the transitional period the possibility does exist that we will be operating in both the current manual environment as well as the new ALDS environment. Therefore, this new section is needed to redefine the terms, applications, reports and forms to allow us the flexibility to implement and use the ALDS system while still keeping the current manual license environment functional.

Amend Section (a) and (b) of Section 1.74:

Amend Subsection (a) because the current license system requires that the fishing license number be recorded on the salmon punch card and that the salmon punch card number be recorded on the fishing license. These provisions are in place to prevent individuals from purchasing more than one Salmon Punch Card per license year. Under the ALDS, all license sales will be processed real-time and stored in the central ALDS database. The ALDS will enforce business rules including license quantity restrictions.

The need to cross-reference license document numbers will be eliminated. This section is being amended to accommodate issuance procedures for both the current license system and the ALDS.

Amend Subsection (b) because the return address for the steelhead report card is outdated in regulation. This change now directs anglers to return their cards to the address specified on the card, thus eliminating the need for future regulation changes to correct the address.

Amend Subsection (h) and (i) of Section 29.15:

Amend Subsection (h) to change the current abalone regulations which require that anglers punch a hole and completely remove the punch section (chad) from their abalone permit report cards. Under the ALDS, the license stock or paper will not have pre-punched holes, therefore there will be no "chad" to remove. In addition, this section is being amended because the return address for the abalone report card is outdated in regulation. This change now directs divers to return their abalone report cards to the address specified on the card, thus eliminating the need for future regulation changes to correct the address.

Amend Subsection (i) because the current license system requires that the fishing license number be recorded on the abalone report card and that the abalone report card number be recorded on the fishing license. These provisions are in place to prevent individuals from purchasing more than one Abalone Permit Report Card per license year. Under the ALDS, all license sales will be processed real-time and stored in the central ALDS database. The ALDS will enforce business rules including license quantity restrictions. The need to cross-reference license document numbers will be eliminated. The amendment is proposed to accommodate issuance procedures for both the current license system and the ALDS.

Amend Subsection (a)(5)(6)(7)(8) of Section 116:

Amend Subsection (a)(5) as it is not consistent with ALDS document printing requirements.

Amend Subsection (a)(6) as this regulation is overly prescriptive and inconsistent with DFG treatment of other similar and/or identical requirements.

Amend Subsection (a)(7) to remove the permit year specifics due to redundancy as the permit year is already identified in Section 7857 of the Fish and Game Code.

Amend Subsection (a)(8) to renumber.

Amend Subsection (a)(1)(D)5 of Section 300:

This change is proposed to direct hunters to the DFG website for specifics on how to apply for sage grouse permits. This will allow us to update the instructions for applying for these permits on our website eliminating the need for future regulation changes when business processes and/ or addresses change. In addition, language specifying the deadline to apply for permits is being clarified.

Amend Subsection (j) of Section 551:

This change is proposed to clarify language specifying the type of hunting license that is required to apply for a waterfowl reservation.

Amend Section 705:

Amend Subsection (a) of Section 705 for clarity purposes.

Amend Subsection (b) of Section 705 to refer to the correct section of Fish and Game Code, Section 7149(a)(5), which specifies One-Day Sport Fishing Licenses.

Amend Subsection (c) to remove obsolete terms.

Amend Subsections (d) and (e) to accommodate for issuance procedures in both the current license system and the ALDS. Specifically, these sections specify the requirements for purchasing a sport fishing or hunting license for another individual and identify the circumstances under which a voucher may be purchased.

(b) Authority and Reference Sections from Fish and Game Code for Regulation:

Authority: Sections 200, 202, 203, 205, 210, 220, 240, 355, 1050, 1055, 1055.1, 1526, 1528, 1530, 1570-72, 1765, 4331, 5521, 7149.8, 7380, 8491 and 10504, Fish and Game Code.

Reference: Sections 200, 202, 203, 203.1, 205, 206, 208, 215, 220, 240, 355, 356, 713, 1050, 1055.1, 1055, 1526, 1528, 1530, 1570-72, 1764, 1765, 2006, 3031, 4331, 5521, 7145, 7149.05, 7149.2, 7149.8, 7150, 7380, 7381, 7382, 8491, and 10504, Fish and Game Code.

(c) Specific Technology or Equipment Required by Regulatory Change:

None.

(d) Identification of Reports or Documents Supporting Regulation Change:

None.

(e) Public Discussions of Proposed Regulations Prior to Notice Publication:

No public meetings are being held prior to notice publication.

- IV. Description of Reasonable Alternatives to Regulatory Action:
 - (a) Alternatives to Regulation Change:

No alternatives were identified.

(b) No Change Alternative:

If original regulations are retained, the DFG will not be able to conduct business using the ALDS system.

(c) Consideration of Alternatives:

In view of information currently possessed, no reasonable alternative considered would be more effective in carrying out the purposes for which the regulation is proposed or would be as effective and less burdensome to the affected private persons than the proposed regulation.

V. Mitigation Measures Required by Regulatory Action:

The proposed regulatory action will have no negative impact on the environment; therefore, no mitigation measures are needed.

VI. Impact of Regulatory Action:

The potential for significant statewide adverse economic impacts that might result from the proposed regulatory action has been assessed, and the following initial determinations relative to the required statutory categories have been made:

(a) Significant Statewide Adverse Economic Impact Directly Affecting Businesses, Including the Ability of California Businesses to Compete with Businesses in Other States:

The proposed action will not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. These changes will allow for the automation of the current manual processes involved with the selling/issuing of licenses.

(b) Impact on the Creation or Elimination of Jobs Within the State, the Creation of New Businesses or the Elimination of Existing Businesses, or the Expansion of Businesses in California:

None.

(c) Cost Impacts on a Representative Private Person or Business:

The agency is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

(d) Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State:

None.

(e) Nondiscretionary Costs/Savings to Local Agencies:

None.

(f) Programs Mandated on Local Agencies or School Districts:

None.

(g) Costs Imposed on Any Local Agency or School District that is Required to be Reimbursed Under Part 7 (commencing with Section 17500) of Division 4:

None.

(h) Effect on Housing Costs:

None.

Informative Digest/Policy Statement Overview

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BACKGROUND ON THE AUTOMATED LICENSE DATA SYSTEM (ALDS)

By the end of November 2007, the DFG will have automated the current manual issuance process of recreational licenses (i.e. Sport Fishing, Hunting, etc.). The new automated licensing system, known as the Automated License Data System or ALDS will electronically link point-of-sale (POS) terminals at DFG sales offices and approximately 1,600 retail license agent locations statewide allowing license agents the ability to sell all recreational licensing items including several that are currently available only from DFG offices. The ALDS will also allow customers the ability to purchase recreational licenses via the Internet and/or the telephone. The ALDS POS equipment consists of a 15" touch screen color monitor with an embedded CPU, a magnetic card reader, a bar code scanner and a direct thermal printer which prints licenses instantly on highly durable paper, foldable to credit card size for easy carrying or displaying.

BENEFITS OF ALDS

- Increase customer access to license items by making more items available for sale at license agents, via the Internet and the telephone.
- Improve the license sales and issuance process by eliminating the current cumbersome manual issuance process thus making it quicker and easier to buy a license.
- Subsequent year licenses, privileges and, if necessary, duplicate licenses will be faster and
 easier as customer data will be stored and retrievable instantly eliminating the need to fill out
 paperwork at every purchase.
- Helps ensure customers are properly licensed as built-in logic will limit license selection to those licenses each customer is qualified for.
- Allow customers to enter drawings and obtain status/results at license agent locations and via the Internet
- Reduce the risk of untimely and un-collectible license sales revenues from license agents.
- Eliminate cumbersome manual issuance and accounting of license inventory, as well as, reduce printing, postage and storage costs.
- Provide online, real time access for all DFG offices and dispatch centers for law enforcement purposes.
- Provide the ability to participate in multi-State and Agency data sharing projects, e.g., Hunter Education programs and law enforcement compacts.
- Provide databases to improve resource management decisions, identify customer perceptions and attitudes, develop marketing strategies, and retain or restore hunter and angler participation.
- Provide the ability for the DFG to meet Federal and State data collection and reporting mandates that are not currently achievable, e.g., the State Licensing Match System.
- Provide the DFG the mechanism to offer new and related State and Federal services to a broader range of customers, such as, State Park Day Use Permits, Electronic Federal Duck Stamps and National Forest Adventure Passes.